

1 AN ACT concerning revenue estimates.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The State Budget Law of the Civil
5 Administrative Code of Illinois is amended by changing
6 Section 50-5 and by adding Section 50-5.5 as follows:

7 (15 ILCS 20/50-5) (was 15 ILCS 20/38)

8 Sec. 50-5. Governor to submit State budget. The Governor
9 shall, as soon as possible and not later than the third
10 Wednesday in February of each year beginning in 1998, submit
11 a State budget, embracing therein the amounts recommended by
12 the Governor to be appropriated to the respective
13 departments, offices, and institutions, and for all other
14 public purposes, the estimated revenues from taxation, the
15 estimated revenues from sources other than taxation, and an
16 estimate of the amount required to be raised by taxation.
17 The amounts recommended by the Governor for appropriation to
18 the respective departments, offices and institutions shall be
19 formulated according to the various functions and activities
20 for which the respective department, office or institution of
21 the State government (including the elective officers in the
22 executive department and including the University of Illinois
23 and the judicial department) is responsible. The amounts
24 relating to particular functions and activities shall be
25 further formulated in accordance with the object
26 classification specified in Section 13 of the State Finance
27 Act.

28 The Governor shall not propose expenditures and the
29 General Assembly shall not enact appropriations that exceed
30 the resources estimated to be available, as provided in this
31 Section.

1 For the purposes of Article VIII, Section 2 of the 1970
2 Illinois Constitution, the State budget for the following
3 funds shall be prepared on the basis of revenue and
4 expenditure measurement concepts that are in concert with
5 generally accepted accounting principles for governments:

- 6 (1) General Revenue Fund.
- 7 (2) Common School Fund.
- 8 (3) Educational Assistance Fund.
- 9 (4) Road Fund.
- 10 (5) Motor Fuel Tax Fund.
- 11 (6) Agricultural Premium Fund.

12 These funds shall be known as the "budgeted funds". The
13 revenue estimates used in the State budget for the budgeted
14 funds shall include the estimated beginning fund balance,
15 plus revenues estimated to be received during the budgeted
16 year, plus the estimated receipts due the State as of June 30
17 of the budgeted year that are expected to be collected during
18 the lapse period following the budgeted year, minus the
19 receipts collected during the first 2 months of the budgeted
20 year that became due to the State in the year before the
21 budgeted year. Revenues shall also include estimated federal
22 reimbursements associated with the recognition of Section 25
23 of the State Finance Act liabilities. For any budgeted fund
24 for which current year revenues are anticipated to exceed
25 expenditures, the surplus shall be considered to be a
26 resource available for expenditure in the budgeted fiscal
27 year.

28 Expenditure estimates for the budgeted funds included in
29 the State budget shall include the costs to be incurred by
30 the State for the budgeted year that are, to be paid in the
31 next fiscal year, excluding costs paid in the budgeted year
32 which were carried over from the prior year, where the
33 payment is authorized by Section 25 of the State Finance Act.
34 For any budgeted fund for which expenditures are expected to

1 exceed revenues in the current fiscal year, the deficit shall
2 be considered as a use of funds in the budgeted fiscal year.

3 Revenues and expenditures shall also include transfers
4 between funds that are based on revenues received or costs
5 incurred during the budget year.

6 By March 15 of each year and until the Revenue Estimating
7 Council is established, the Economic and Fiscal Commission
8 shall prepare revenue and fund transfer estimates in
9 accordance with the requirements of this Section and report
10 those estimates to the General Assembly and the Governor.

11 For all funds other than the budgeted funds, the proposed
12 expenditures shall not exceed funds estimated to be available
13 for the fiscal year as shown in the budget. Appropriation for
14 a fiscal year shall not exceed (i) funds estimated by the
15 General Assembly to be available during that year as
16 contained within the joint resolution adopted by the General
17 Assembly in accordance with Section 50-5.5 of this Act or
18 (ii) funds estimated to be available in accordance with this
19 Section prior to the effective date of this amendatory Act of
20 the 93rd General Assembly.

21 (Source: P.A. 90-479, eff. 8-17-97; 91-239, eff. 1-1-00.)

22 (15 ILCS 20/50-5.5 new)

23 Sec. 50-5.5. Revenue Estimating Council.

24 (a) There is created a Revenue Estimating Council,
25 consisting of the Director of the Bureau of the Budget, the
26 State Comptroller, and the Director of the Illinois Economic
27 and Fiscal Commission, or their designees.

28 (b) By January 1, 2005 and by January 1 of each year
29 thereafter, the Revenue Estimating Council must prepare
30 revenue and fund transfer estimates in accordance with the
31 requirements of Section 50-5 and report those estimates to
32 the General Assembly. In addition to the revenue and transfer
33 estimates, the Revenue Estimating Council must certify an

1 estimate of all income of the State from all applicable
2 revenue sources for the next ensuing fiscal year and of any
3 other funds estimated to be available for that fiscal year.

4 Notwithstanding any other provision of this subsection,
5 for the purpose of determining the estimates under this
6 Section for fiscal year 2006, the Revenue Estimating Council
7 must use the prior year's estimated general funds revenues as
8 determined by the Economic and Fiscal Commission for fiscal
9 year 2005.

10 By April 15, 2005 and by April 15 of each year
11 thereafter, the Revenue Estimating Council must issue a
12 report updating the estimates required under this subsection
13 as may be required based on more recent information. Upon its
14 issuance, the Revenue Estimating Council must submit the
15 revised report to the Governor and the General Assembly. The
16 House of Representatives and Senate must adopt the report by
17 joint resolution. The joint resolution constitutes the
18 General Assembly's estimate, under subsection (b) of Section
19 2 of Article VIII of the Illinois Constitution, of the funds
20 available during the next fiscal year.

21 (c) Prior to the beginning of the fiscal year, the
22 Revenue Estimating Council must prepare a cash flow estimate
23 of the general funds, identifying estimated revenues and cash
24 expenditures for each quarter of the fiscal year. Each
25 quarter of the fiscal year, the Revenue Estimating Council
26 must review the revenue and cash expenditure estimates and
27 issue a report to the Governor and the General Assembly
28 containing updates of the estimates required under this
29 subsection and notification of potential budgetary
30 shortfalls.

31 Section 10. The Illinois Economic and Fiscal Commission
32 Act is amended by changing Section 4 as follows:

1 (25 ILCS 155/4) (from Ch. 63, par. 344)

2 Sec. 4. (a) The Commission shall publish, at the
3 convening of each regular session of the General Assembly, a
4 report on the estimated income of the State from all
5 applicable revenue sources for the next ensuing fiscal year
6 and of any other funds estimated to be available for such
7 fiscal year. On the third Wednesday in March after the
8 session convenes, the Commission shall issue a revised and
9 updated set of revenue figures reflecting the latest
10 available information. In 2004, the House and Senate by joint
11 resolution shall adopt or modify such estimates as may be
12 appropriate. The joint resolution shall constitute the
13 General Assembly's estimate, under paragraph (b) of Section 2
14 of Article VIII of the Constitution, of the funds estimated
15 to be available during the next fiscal year.

16 (b) On the third Wednesday in March, the Commission
17 shall issue estimated:

- 18 (1) pension funding requirements under P.A. 86-273;
19 and
20 (2) liabilities of the State employee group health
21 insurance program.

22 These estimated costs shall be for the fiscal year
23 beginning the following July 1.

24 (c) The requirement for reporting to the General
25 Assembly shall be satisfied by filing copies of the report
26 with the Speaker, the Minority Leader and the Clerk of the
27 House of Representatives and the President, the Minority
28 Leader and the Secretary of the Senate and the Legislative
29 Research Unit, as required by Section 3.1 of "An Act to
30 revise the law in relation to the General Assembly", approved
31 February 25, 1874, as amended, and filing such additional
32 copies with the State Government Report Distribution Center
33 for the General Assembly as is required under paragraph (t)
34 of Section 7 of the State Library Act.

1 (Source: P.A. 87-1142.)

2 Section 99. Effective date. This Act takes effect upon

3 becoming law.